Agenda Date: 1/18/01 Agenda Item: 8A



## STATE OF NEW JERSEY

## **Board of Public Utilities**

Two Gateway Center Newark, NJ 07102

**TELECOMMUNICATIONS** 

IN THE MATTER OF THE PETITION FOR )
AN ORDER AUTHORIZING WORLDWIDE )
FIBER NETWORKS, INC. TO PROVIDE )
LOCAL EXCHANGE AND INTEREXCHANGE TELECOMMUNICATIONS )
SERVICES THROUGHOUT NEW JERSEY )

ORDER OF APPROVAL

**DOCKET NO. TE00040271** 

(SERVICE LIST ATTACHED)

## BY THE BOARD:

By letter dated April 12, 2000, Worldwide Fiber Networks, Inc. (Petitioner or Worldwide) filed a petition with the Board of Public Utilities (Board) requesting authority to provide interexchange services throughout the State of New Jersey. On June 15, 2000, Petitioner amended this petition to include local exchange authority. In addition, Worldwide responded to a staff questionnaire by letter dated September 9, 2000, and to Staff interrogatories by letters dated November 28, 2000 and December 15, 2000.

According to the petition, Petitioner was incorporated under the laws of the State of Nevada on June 12, 1998. Petitioner's principal offices are located at 1333 West 120<sup>th</sup> Avenue, Suite 216, Westminster, Colorado 80234. Amended Petition at 2.

Petitioner submitted copies of its Articles of Incorporation, Nevada Certificate of Good Standing and its New Jersey Authority to Operate as a Foreign Corporation. Amended Petition at 2, Exhibit A. According to the amended petition, Worldwide was formed to provide local exchange and interexchange services. Amended Petition at 1. Petitioner advised that Worldwide is currently certified to provide facilities-based and resold interexchange telecommunications services in all states except Maine, Washington D.C., and West Virginia. In addition, according to Petitioner, Worldwide is currently authorized to provide local exchange service in Florida, Illinois, Iowa, Kansas, Kentucky, Louisiana, Minnesota, Montana, New York, Nevada, North Dakota, Oregon, Rhode Island, South Dakota, Utah, Washington, Wisconsin, and Wyoming. December 15, 2000 Letter at 2. Worldwide stated that it has not been denied authority to provide telecommunications services in any state, nor are there any pending civil, criminal or administrative actions against it.

Worldwide also advised that it is not currently negotiating an interconnection agreement with any carrier.

In its response to Staff's questionnaire, Petitioner advised that it seeks authority to provide local exchange and interexchange telecommunications services to carriers, information service providers and large businesses throughout New Jersey. Worldwide proposes to offer technologically advanced dark fiber and related infrastructure as well as high bandwidth, fiber

optic transmission capacity, which will allow for the high speed, high quality transmission of data, video and voice communications. Amended Petition at 3, September 9, 2000 Letter at 5.

Petitioner initially requested a waiver of the requirement to file a tariff, but withdrew that request in its November 28, 2000 letter to the Board.

Petitioner asserted that approval of its petition will further the public interest by expanding the availability of competitive telecommunications services in the State of New Jersey. Amended Petition at 5. Petitioner also asserted that approval of this petition will provide New Jersey customers with access to new technologies and service choices and will permit customers to achieve increased efficiencies and cost savings. Amended Petition at 5.

With regard to its technical managerial qualifications, Worldwide stated that it possesses the technical capacity and managerial qualifications to operate and manage its telecommunications operations in the State of New Jersey. Amended Petition at 5. Petitioner submitted the professional biographies of its key personnel who, according to Worldwide, are well qualified to provide the proposed services. Amended Petition at 5, Exhibit C.

Petitioner has submitted the consolidated financial statements of its parent, Worldwide Fiber USA, Inc., as evidence of its financial backing. Amended Petition at 4, Exhibit B.

By letter dated January 9, 2001, the Division of the Ratepayer Advocate recommended approval of this petition.

## **DISCUSSION**

On February 8, 1996, the federal Telecommunications Act of 1996, P.L. 104-104, 110 Stat. 56, codified in scattered sections of 47 <u>U.S.C.</u> § 151 <u>et seq.</u>, was signed into law, removing barriers to competition by providing that:

[n]o State or local statute or regulation, or other State or local legal requirement, may prohibit or have the effect of prohibiting the ability of any entity to provide any interstate or intrastate telecommunications service.

[47 U.S.C. §253(a)].

Therefore, Board approval of Petitioner's entry into the telecommunications marketplace is required, assuming Petitioner meets all other requirements, including, but not limited to, a demonstration of financial, technical and managerial integrity.

In considering this petition, the Board recognizes its obligation not to prohibit entry into intrastate telecommunications markets. 47 <u>U.S.C.</u> §253(a). Approval is also in keeping with the New Jersey State Legislature's decision that it is the policy of the State to provide diversity in the supply of telecommunications services, and its findings that competition will "promote efficiency, reduce regulatory delay and foster productivity and innovation" and produce a wider selection of services at competitive market-based prices." <u>N.J.S.A.</u> 48:2-21.16(a)(4); <u>N.J.S.A.</u> 48:2-21.16(b)(1) and (3).

Therefore, having reviewed Worldwide's petition and the information supplied in support thereof, the Board <u>FINDS</u> that Petitioner has demonstrated that it possesses the requisite financial, technical and managerial resources, which are necessary to provide telecommunications

services in New Jersey. Accordingly, the Board <u>HEREBY AUTHORIZES</u> Petitioner to provide local exchange and interexchange telecommunications services in New Jersey, subject to approval of its tariff and submission of its own pro forma financial statements. The Board notes that Petitioner will not be able to provide telecommunication services until a tariff is approved by the Board and the required financial statements have been provided.

DATED: 2/21/01 BOARD OF PUBLIC UTILITIES BY:

(signed)

HERBERT H. TATE

**PRESIDENT** 

(signed)

FREDERICK F. BUTLER

COMMISSIONER

ATTEST:

(signed)
FRANCES L. SMITH
BOARD SECRETARY